

**ADDPC LEGISLATIVE REPORT**  
**April 11, 2012**  
**Prepared By Morrison Institute for Public Policy**

**Legislative Action:**

- **HB 2674 passed the Senate on 4/5. Ready for House action on Senate amendments.** The list of entities that may exchange criminal justice information through the central state repository is expanded to include nonprofit organizations that interact with children or vulnerable adults for the purpose of evaluating the fitness of current and prospective employees, contractors and volunteers. A person awaiting trial on or who has been convicted of a DUI within five years from the date of applying for a fingerprint clearance card is no longer precluded from driving any vehicle to transport employees or clients of an employing agency as part of the person's employment.
- **HB 2696 passed Senate 29-0 on 4/3; ready for House action on Senate amendments. In final reading in the House on 4/11.** For the purposes of adult protective services, a written expression witnessed by at least one individual who does not benefit from the withdrawal of services creates a rebuttable presumption that the person was competent to understand the expression. Transfers of assets for the primary purpose of obtaining eligibility for AHCCCS, supplemental security income, Medicaid, Medicare or veteran's administration programs and that are between a vulnerable adult and their spouse, disabled child or a trust for the spouse or disabled child are not financial exploitation. A legislative intent section states that this act is to clarify existing law.

**Bills Signed by Governor:**

- **HB 2252 was signed by the Governor on 4/5.** Unless otherwise provided by court order or law, both parents are entitled to equal access to prescription medication for a child. A parent with joint legal custody of a child cannot designate one pharmacy in a single location as the only source of the child's prescription medication without the agreement of the other parent. A person out of compliance is required to reimburse the requesting parent for costs incurred to force compliance. A parent who attempts to withhold prescription medication is subject to appropriate legal sanctions.
- **HB 2377 signed by the Governor on 4/10.** In cases of limited guardianship, an incapacitated person may retain the right to vote if the person files a petition, has a hearing and the judge determines by clear and convincing evidence that the person retains sufficient understanding to exercise the right to vote.
- **HB 2526 was signed by the Governor on 4/5.** Beginning October 1, 2012, the AHCCCS Administration is required to charge a quality assessment on health care items and services provided by nursing facilities, to be used for supplemental payments to nursing facilities for covered Medicaid expenditures, in order to obtain federal financial participation in the services. The assessment cannot exceed 3.5 percent of net patient

service revenue. The AHCCCS Administration is required to seek necessary federal approval in the form of a waiver. Self-repeals October 1, 2015. Due to an increase in state revenue, this bill requires the affirmative vote of at least 2/3 of each house of the Legislature for passage.

- **HB 2534 was signed by the Governor on 3/29.** Allows AHCCCS to modify hospital inpatient reimbursement rates. Requires at least 30 days public notice or comment before any rule adopted or amended. The amendment required AHCCCS to obtain legislative approval before adopting a hospital reimbursement methodology. Clarifies that the established workgroups must study and provide input on a new inpatient payment methodology.
- **HB 2655 was signed by the Governor on 3/29.** Mandatory monitoring of Department of Economic Security contracts for residential care services for developmentally disabled persons is reduced to once each year, from once every six months, for service providers with a score of 95 percent or more on the most recent monitoring visit.
- **SB 1047 was signed by the Governor on 2/29.** Creates a new income tax credit of up to \$500 for individuals or \$1000 for married couples filing jointly for contributions to certified school tuition organizations. Taxpayers may not take the current credit for contributions to STO's and the new credit for the same contribution, but may take both credits if contributions exceed the amount allowed by the current credit. The tax credit is not allowed if the taxpayer designates the contribution to a student beneficiary. Contributions made before April 15 may be applied to either the current or preceding tax year. At least 90 percent of contributions made under the new credit must be used for scholarships or tuition grants for students in specified circumstances, including students with disabilities and dependents of members of the U.S. Military. School tuition organizations are prohibited from knowingly colluding to circumvent the statutory limits on the amount of educational scholarships or tuition grants to individual students. Effective July 1, 2012. Retroactive to January 1, 2012.
- **SB 1136 was signed by the Governor on 4/5.** The Department of Economic Security is required to conduct central registry background checks to determine qualifications for employee or contractor positions that provide direct service to children or vulnerable adults. Beginning August 1, 2013, DES licensees that employ persons providing direct services to children must submit information to DES and DES must conduct central registry background checks for those employees. A person disqualified because of a central registry check may apply to the Board of Fingerprinting for a central registry exception.
- **SB 1258 was signed by the Governor on 3/29.** Eliminates the list of good cause exemptions that could be used to promote a student from third grade whose score on the reading portion of AIMS is far below the third grade level, and instead allows such a promotion only for a child with a disability whose individualized education program team and parent agree that promotion is appropriate or for a student who is an English

language learner with less than two years of English language instruction. The Department of Education is required to develop intervention and remedial strategies for students in kindergarten through third grade who are identified as having reading deficiencies. School districts and charter schools are required to offer at least one intervention strategy and one remedial strategy for students with reading deficiencies. Also requires the Dept to prominently post on its website best practice examples of reading intervention and remedial reading strategies.